

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

IN RE DIRECT GENERAL
CORPORATION SECURITIES
LITIGATION

)
) Civil Action No. 3:05-0077
)
) Judge Todd J. Campbell
) Magistrate Judge Juliet E. Griffin

PROPOSED CLASS ACTION

**MOTION TO DISMISS AMENDED CONSOLIDATED COMPLAINT BY DEFENDANTS
WILLIAM C. ADAIR TRUST AND TAMMY ADAIR IN HER CAPACITY AS TRUSTEE**

In the Amended Consolidated Complaint (“Complaint”), Plaintiffs name as new Defendants the William C. Adair, Jr. Trust (“Adair Family Trust” or “Trust”) and Tammy Adair in her capacity as Trustee of the Trust (the “Trust Defendants”). The Complaint against the Trust should be dismissed because it fails to allege any claim against the Trust whatsoever. The Complaint should be dismissed against both Defendants because it does not allege that the Trust made any false statements, nor does it allege that Tammy Adair made any false statement as a Trustee. Furthermore, the Complaint should be dismissed for the reasons set forth in Section III of the Memorandum of Law in Support of the Motion

to Dismiss simultaneously filed by Direct General and as the Officer and Director Defendants, as the Complaint fails to allege any claim for the violation of the Securities Exchange Act.

For the foregoing reasons, as more fully discussed in the accompanying memorandum of law, the Amended Consolidated Complaint should be dismissed.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following Filing Users through the Electronic Filing System:

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on this the 1st day of August, 2005.

/s/ Matthew J. Sweeney
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